

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



**FILED**

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In the Matter of the Application of  
California-American Water Company (U  
210 W) for an order authorizing it to  
increase its rates for water service in its Los  
Angeles District to increase revenues by  
\$2,020,466 or 10.88% in the year 2007;  
\$634,659 or 3.08% in the year 2008; and  
\$666,422 or 3.14% in the year 2009

A.06-01-005

**CALIFORNIA-AMERICAN WATER COMPANY NOTICE OF EX PARTE  
COMMUNICATIONS**

STEEFEL, LEVITT & WEISS  
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Attorneys for Applicant  
California-American Water Company

Date: June 4, 2007

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COMMUNICATIONS**

In accordance with Article 8 of the Rules of Practice and Procedure of the California Public Utilities Commission ("Commission"), California-American Water Company ("California American Water") hereby files this notice of its ex parte meeting with Commissioner Bohn's Advisor, Laura Krannawitter.

On Wednesday, May 30, 2007, at 9:30 a.m., David Stephenson of California American Water and Lenard Weiss of Steefel, Levitt & Weiss, counsel for California American Water, met with Ms. Krannawitter at the Commission. The meeting lasted approximately thirty minutes. In addition to the oral communications described below, California American Water also gave Ms. Krannawitter a copy of the *Comments of California-American Water Company on the PD of Administrative Law Judge Walwyn*, filed with the Commission on May 29, 2007.

At the meeting Messrs. Stephenson and Weiss discussed the *Proposed Decision of ALJ Walwyn*, issued May 7, 2007 ("Proposed Decision"). Messrs. Stephenson and Weiss argued that the return on equity in the Proposed Decision is too low and does not properly take into account California American Water's financial risk. Messrs. Stephenson and Weiss also argued that the proposed decision's position that implementation of a Water Revenue Adjustment Mechanism ("WRAM") should lead to a downward adjustment in return on equity is incorrect

and premature. Finally, Messrs. Stephenson and Weiss stated that the additional restrictions placed on the Infrastructure System Replacement Surcharge ("ISRS") were unnecessary and unduly burdensome.

Parties may request a copy of this notice by contacting:

Cinthia Velez  
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Dated: June 4, 2007

Respectfully submitted,

STEEFEL, LEVITT & WEISS  
A Professional Corporation

By: /s/ Lori Anne Dolqueist  
Lori Anne Dolqueist  
Attorneys for Applicant  
California-American Water Company

**PROOF OF SERVICE**

I, Yolanda Cano, declare as follows:

I am employed in the City and County of San Francisco, California. I am over the age of eighteen years and not a party to this action. My business address is STEEFEL, LEVITT & WEISS, One Embarcadero Center, 30th Floor, San Francisco, California 94111-3719. On June 4, 2007, I served the within:

***California-American Water Company Notice of Ex Parte Communications***

on the interested parties in this action addressed as follows:

***See attached service list***



**(BY PUC E-MAIL SERVICE)** By transmitting such document(s) electronically from Steefel, Levitt & Weiss, San Francisco, California, to the electronic mail addresses listed above. I am readily familiar with the practices of Steefel, Levitt & Weiss for transmitting documents by electronic mail, said practice being that in the ordinary course of business, such electronic mail is transmitted immediately after such document has been tendered for filing. Said practice also complies with Rule 1.1 of the Public Utilities Commission of the State of California and all protocols described therein.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed on June 4, 2007, at San Francisco, California.

/s/ Yolanda Cano

Yolanda Cano

**VIA PUC E-MAIL SERVICE**

**A.06-01-005**

**Last changed: June 1, 2007**

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